

503 KAR 5:100. Disbursement of salary supplement funds; audits.

RELATES TO: KRS 15.460, 15.470, 15.490, 15.500(1)

STATUTORY AUTHORITY: KRS 15.450(1)

NECESSITY, FUNCTION, AND CONFORMITY: KRS 15.460, 15.470 and 15.500(1) pertain to disbursements from the Law Enforcement Foundation Program Fund; KRS 15.490(1) pertains to reports from local units to the Justice Cabinet; and KRS 15.490(2) pertains to payroll deductions. This administrative regulation expands on these disbursement, reporting, and recordkeeping provisions.

Section 1. Disbursement from Fund to Local Unit. (1) Local unit's entitlement. Upon becoming eligible to participate in the fund, a local unit is entitled to receive annually, from the fund, salary supplement funds of \$2,500 for each qualified police officer it employs. If the fund is insufficient to provide funds at this rate, the cabinet shall establish the rate to be paid to the local units.

(2) Procedural requirements.

(a) A participating local unit shall submit to the fund administrator, within five (5) working days of the action, personnel action forms containing the information (hirings, firings, etc.) required by the fund administrator or his designee in order to determine the amount of salary supplement funds to be disbursed to the local unit.

(b) The fund administrator or his designee shall mail fund checks promptly to all eligible local units which have submitted timely personnel action forms.

(c) The local unit shall be required to acknowledge, to the fund administrator, receipt of funds on a form provided for this purpose. (These forms are available from the Kentucky Law Enforcement Foundation Program Fund, 107 Stratton Building, Eastern Kentucky University, Richmond, Kentucky 40475.)

(d) Local units shall provide such other information and reports as the fund administrator or his designee reasonably deems necessary.

Section 2. Disbursement from Local Unit to Police Officer. (1) Purposes for which local unit may use funds. The funds shall be used only as a cash salary supplement to police officers who meet the qualifications established by statute and by this administrative regulation. The funds shall not be used to supplant existing salaries or as a substitute for normal salary increases. The funds shall be received, held, and expended only in accordance with the law.

(2) Qualifications for receiving a salary supplement. In order to be entitled to receive a salary supplement from a local unit, a person must be:

(a) A "police officer" - that is, a "full-time member" of a "lawfully organized department" of county, urban-county, or city government (for definitions, see 503 KAR 5:080); and

(b) Employed by a local unit of government which is eligible to participate in the fund. (For participation requirements for local units, see 503 KAR 5:090.)

(3) Determining the amount of the salary supplement.

(a) Each police officer shall be paid by his local unit that amount of money which is paid from the fund to the local unit because of his qualifications. Thus a qualified officer who is employed "full time" for an entire year shall entitle his local unit to receive \$2,500 (or, if the fund is insufficient to provide funds at this rate, the amount established by the cabinet), and he shall be paid this same amount by his local unit.

(b) Funds shall be disbursed from the fund to local units on a monthly basis, and a police officer's salary supplement shall be determined on a monthly basis (for example, \$208.33 per month if the annual supplement is \$2,500). If an officer works less than a full month, his salary supplement shall be determined on an hourly basis. The hourly rate shall be determined by dividing the annual sup-

plement by 2,080 (fifty-two (52) weeks multiplied by forty (40) hours per week); therefore, if the annual supplement is \$2,500, the hourly supplemental rate shall be one (1) dollar and twenty (20) cents for each hour he receives salary from his local unit.

(c) Salary, for salary supplement purposes, shall include pay for leave (such as annual, sick, compensatory, military, civil or educational leave). Leave without pay shall not be included.

(d) A police officer shall be paid a salary supplement while suspended from duty with pay, but shall not be paid one while suspended without pay.

(e) A police officer shall not be paid a salary supplement for pay for overtime work (hours over forty (40) per week).

(f) A police officer, provided he is qualified to participate in the fund during the period, shall be paid a salary supplement for that period of time during which he is not receiving a salary but is receiving workers' compensation benefits. This salary supplement shall be determined at the same monthly rate and, if a time period of less than a month is involved, hourly rate as is provided for in subsection (3)(b) of this section.

(g) The local unit shall keep hourly-employment records to document:

1. That a police officer is "full time" and thus qualifies for a salary supplement, and;
2. The salaried hours (work, leave with pay, suspension with pay, etc.) of each officer receiving a salary supplement.

(4) Payroll deductions. Under KRS 15.490(2), local units shall include the salary supplement paid to a police officer from the fund as a part of the officer's salary in determining all payroll deductions.

Section 3. Audit of Local Unit. (1) The cabinet shall have the authority to audit, or to authorize an audit of, local units receiving salary supplement funds.

(2) For audit purposes, the local unit shall maintain accurate financial records which shall include, but not be limited to, books of original entry, source documents supporting accounting transactions, a general ledger, subsidiary ledgers, personnel and payroll records, cancelled checks, and related documents and records.

(3) These records shall be retained by the local unit until destruction is authorized by the cabinet. (11 Ky.R. 1548; Am. 1779; eff. 5-14-85.)